

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Revenues, Expenses, and
Changes in Net Assets —Internal Service Funds
YTD as of January 31, 2012

3/2/2012

	YTD 1/31/2012	Full Year 6/30/2011	Full Year 6/30/2010
Operating revenues:			
Operating income	\$ 72,646,546	\$ 119,211,913	112,927,735
Other income		884	97,894
Investment income	151,047	498,476	779,620
Total operating revenues	\$ 72,797,593	\$ 119,711,273	\$ 113,805,250
Operating expenses:			
Losses and loss expenses	64,064,231	111,900,464	101,098,908
All other expenses	4,105,656	8,621,004	13,570,703
Total operating expenses	\$ 68,169,886	\$ 120,521,468	\$ 114,669,611
Nonoperating revenues:			
Capital contributions		49,990	
Transfers to Other Funds		(1,380,291)	
Loss on disposal of capital assets	0	(3,273)	
Total nonoperating revenues	0	(1,333,574)	0
Change in net assets	4,627,707	(2,143,770)	(864,361)
Total net assets - Beginning	41,023,133	43,166,902	44,031,264
Total net assets - Ending	\$ 45,650,839	\$ 41,023,133	\$ 43,166,902

Maricopa County
Employee Benefits Trust Funds
Statements of Net Assets - Internal Service Funds
January 31, 2012, June 30, 2011, and June 30, 2010

		1/31/2012	6/30/2011	6/30/2010
Assets	Note			
Cash and cash equivalents		\$ 61,943,883	\$ 57,181,449	\$ 56,235,460
Interest receivable	1	3,563	3,563	81,358
Accounts receivable	2	866,452	898,195	1,260,064
Prepaid insurance	3	102,572	852,807	110,532
Capital assets, net	4	0	0	4,013
Total assets		62,916,470	58,936,014	57,691,427
Liabilities				
Accounts payable	5	26,643	124,271	512,556
Accrued Liabilities	6	3,499,430	2,382,967	3,243,514
Employee compensation payable	7	3,303,368	3,290,574	2,263,426
Reserve for losses and loss expenses	8	10,436,189	12,115,069	8,505,029
Total liabilities		17,265,630	17,912,881	14,524,525
Net Assets				
Invested in capital assets		0	0	4,013
Unrestricted (deficit)		45,650,839	41,023,133	43,162,889
Total net assets (deficit)		\$ 45,650,839	\$ 41,023,133	\$ 43,166,902

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Fund Balance Roll-Forward
Seven Months Ended January 31, 2012

Self Insured Funds

<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>Fund Balance</u> <u>7/1/2011</u>	<u>Fund Balance</u> <u>1/31/2012</u>
601-CMG HIGH OPTION	\$ 22,123,758	\$ 22,864,217	\$ 740,458	\$ (961,081)	\$ (220,623)
602-CMG LOW OPTION	509,006	700,334	191,328	920,801	1,112,129
603-OAP IN	7,496,802	9,713,173	2,216,372	(4,270,249)	(2,053,877)
604-OAP HIGH OPTION	17,600,061	16,373,700	(1,226,361)	(1,839,967)	(3,066,328)
605-OAP LOW OPTION	946,408	1,427,417	481,010	1,232,250	1,713,260
606-CHOICE FUND H.S.A.	4,234,060	5,295,039	1,060,979	(66,874)	994,105
614-BEHAVIORAL HEALTH	954,822	1,206,778	251,956	4,951,829	5,203,785
Total Medical & BH	\$ 53,864,917	\$ 57,580,659	\$ 3,715,742	\$ (33,291)	\$ 3,682,451
629-SI DENTAL	2,274,262	2,209,867	(64,395)	4,824,764	4,760,369
Total Dental	\$ 2,274,262	\$ 2,209,867	\$ (64,395)	\$ 4,824,764	\$ 4,760,369
608-COINSURANCE	\$ 7,570,306	\$ 6,359,299	\$ (1,211,007)	\$ 19,607,116	\$ 18,396,109
609-CONSUMER CHOICE	1,015,030	1,011,110	(3,921)	1,319,597	1,315,676
Total Pharmacy	\$ 8,585,336	\$ 7,370,409	\$ (1,214,927)	\$ 20,926,713	\$ 19,711,786
623-VISION	\$ 922,176	\$ 831,691	\$ (90,485)	\$ 249,919	\$ 159,434
	(0)		0		0
Total Vision	\$ 922,176	\$ 831,691	\$ (90,485)	\$ 249,919	\$ 159,434
615-WELLNESS	\$ 308,986	\$ 876,190	567,204	2,314,788	2,881,992
616-CONTRACT ADMINISTRATION	\$ 165,918	\$ 163,534	(2,384)	582,642	580,258
617-MED INCENTIVE AND PENALTIES			0	0	0
618-BENEFIT ADMINISTRATION	\$ 1,046,362	\$ 1,663,010	616,648	3,626,733	4,243,381
999-BENEFITS CLEARING	0	1,021,001	1,021,001	0	1,021,001
Total Other	\$ 1,521,266	\$ 3,723,734	\$ 2,202,468	\$ 6,524,163	\$ 8,726,631
Grand Total	\$ 67,167,958	\$ 71,716,360	\$ 4,548,402	\$ 32,492,268	\$ 37,040,670

Employee Self Insured Funds

			\$ -	\$ -	\$ -
611-60 PERCENT STD	833,926	820,383	(13,543)	6,794,505	6,780,962
612-50 PERCENT STD	131,640	177,904	46,265	1,106,728	1,152,993
613-40 PERCENT STD	36,364	82,946	46,583	629,632	676,215
Total STD	\$ 1,001,929	\$ 1,081,233	\$ 79,305	\$ 8,530,866	\$ 8,610,170
Total Self-Insured	\$ 68,169,886	\$ 72,797,593	\$ 4,627,707	\$ 41,023,134	\$ 45,650,841

Fully Insured (Agency) Funds

<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>Fund Balance</u> <u>7/1/2011</u>	<u>Fund Balance</u> <u>1/31/2012</u>
607-FI DENTAL PPO	\$ 2,884,774	\$ 2,879,142	\$ (5,632)	\$ 71,235	\$ 65,603
625-FI PREPAID DENTAL	224,339	224,135	(204)	110,058	109,854
Total Dental	\$ 3,109,113	\$ 3,103,278	\$ (5,835)	\$ 181,293	\$ 175,458
621-FLEX SPENDING HEALTH	\$ 1,706,769	\$ 1,490,930	\$ (215,840)	\$ -	\$ (215,840)
622-FLEX SPENDING DEP CARE	353,683	466,740	113,057	0	113,056.93
Total FSA	\$ 2,060,453	\$ 1,957,670	\$ (102,783)	\$ -	\$ (102,783)
626-FI LIFE AND AD AND D	\$ 608,603	\$ 621,662	\$ 13,058	\$ 29,287	\$ 42,345
627-SUPPLEMENTAL LIFE	2,174,646	2,134,605	(40,041)	257,652	217,611
630-DEPENDENT LIFE	293,826	289,909	(3,917)	13,131	9,214
Total Life and AD&D	\$ 3,077,075	\$ 3,046,176	\$ (30,899)	\$ 300,070	\$ 269,171
628-EMPLOYEE ASSISTANCE	119,320	119,220	(100)	917	817
631-VOLUNTARY BENEFITS	346,427	346,410	(17)	3,078	3,061
632-CIGNA FOR SENIORS	365,037	399,894	34,858	66,940	101,798
Total Others	\$ 830,783	\$ 865,524	\$ 34,741	\$ 70,935	\$ 105,676
Total Agency Funds	\$ 9,077,424	\$ 8,972,647	\$ (104,777)	\$ 552,298	\$ 447,521
Less: Agency Fund Adjustments					
Total Fund Balance	\$ 77,247,311	\$ 81,770,240	\$ 4,522,930	\$ 41,575,432	\$ 46,098,362

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Seven Months Ended January 31, 2012

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Revenue				
601-CMG HIGH OPTION	\$ 22,632,533	\$ 22,864,217	\$ 231,684	1.02%
602-CMG LOW OPTION	700,651	700,334	(317)	-0.05%
603-OAP IN	10,491,460	9,713,173	(778,287)	-7.42%
604-OAP HIGH OPTION	17,356,878	16,373,700	(983,178)	-5.66%
605-OAP LOW OPTION	1,275,876	1,427,417	151,541	11.88%
606-CHOICE FUND H.S.A.	3,216,563	5,295,039	2,078,476	64.62%
614-BEHAVIORAL HEALTH	1,227,849	1,206,778	(21,071)	-1.72%
Total Medical & BH	\$ 56,901,810	\$ 57,580,659	\$ 678,849	1.19%
629-SI DENTAL	2,084,810	2,209,867	125,057	6.00%
Total Dental	\$ 2,084,810	\$ 2,209,867	\$ 125,057	6.00%
608-COINSURANCE	6,626,018	6,359,299	(266,719)	-4.03%
609-CONSUMER CHOICE	998,158	1,011,110	12,952	1.30%
Total Pharmacy	\$ 7,624,176	\$ 7,370,409	\$ (253,767)	-3.33%
623-VISION	774,452	831,691	57,239	7.39%
Total Vision	\$ 774,452	\$ 831,691	\$ 57,239	7.39%
615-WELLNESS	940,933	876,190	(64,743)	-6.88%
616-CONTRACT ADMINISTRATION	330,484	163,534	(166,950)	-50.52%
618-BENEFIT ADMINISTRATION	1,649,484	1,663,010	13,526	0.82%
999-BENEFITS CLEARING	0	1,021,001	1,021,001	
Total Other	\$ 2,920,901	\$ 3,723,734	\$ 802,833	27.49%
611-60 PERCENT STD	\$ 807,877	\$ 820,383	12,506	1.55%
612-50 PERCENT STD	173,670	177,904	4,234	2.44%
613-40 PERCENT STD	83,328	82,946	(382)	-0.46%
Total STD	\$ 1,064,875	\$ 1,081,233	\$ 16,358	1.54%
Total Revenue	\$ 71,371,024	\$ 72,797,593	\$ 1,426,569	2.00%
Expenses				
601-CMG HIGH OPTION	\$ 22,027,669	\$ 22,123,758	\$ (96,089)	-0.44%
602-CMG LOW OPTION	698,739	509,006	189,733	27.15%
603-OAP IN	10,476,267	7,496,802	2,979,465	28.44%
604-OAP HIGH OPTION	17,332,038	17,600,061	(268,023)	-1.55%
605-OAP LOW OPTION	1,272,717	946,408	326,309	25.64%
606-CHOICE FUND H.S.A.	3,211,535	4,234,060	(1,022,525)	-31.84%
614-BEHAVIORAL HEALTH	1,227,842	954,822	273,020	22.24%
Total Medical & BH	\$ 56,246,807	\$ 53,864,917	2,381,889.77	4.23%
629-SI DENTAL	2,084,796	2,274,262	(189,465.95)	-9.09%
Total Dental	\$ 2,084,796	\$ 2,274,262	\$ (189,466)	-9.09%
608-COINSURANCE	6,626,018	7,570,306	(944,288.11)	-14.25%
609-CONSUMER CHOICE	998,151	1,015,030	(16,879.25)	-1.69%
Total Pharmacy	\$ 7,624,169	\$ 8,585,336	(961,167.36)	-12.61%
623-VISION	774,452	922,176	(147,724.10)	-19.07%
Total Vision	\$ 774,452	\$ 922,176	(147,724.10)	-19.07%
615-WELLNESS	940,946	308,986	631,959.72	67.16%
616-CONTRACT ADMINISTRATION	0	165,918	(165,917.86)	
618-BENEFIT ADMINISTRATION	1,619,490	1,046,362	573,128.12	35.39%
Total Other	\$ 2,560,436	\$ 1,521,266	\$ 1,039,170	
611-60 PERCENT STD	\$ 1,267,644	\$ 833,926	\$ 433,718	34.21%
612-50 PERCENT STD	278,537	131,640	146,897	52.74%
613-40 PERCENT STD	137,025	36,364	100,661	73.46%
Total STD	\$ 1,683,206	\$ 1,001,929	\$ 681,277	40.47%
Total Expenses	\$ 70,973,866	\$ 68,169,886	\$ 2,803,980	3.95%

Employee Benefits Trust Funds
Balance Sheet Details
January 31, 2012, June 30, 2011, and June 30, 2010

3/2/2012

	1/31/2012	6/30/2011	6/30/2010
<u>Accounts receivable</u>			
COBRA Receivable	\$ 95,887	\$ 113,352	\$ 436,144
Vision	1,078		
Dental	2,500		
WHI Rebate	766,987	784,843	823,920
Total Accounts receivable	\$ 866,452	\$ 898,195	\$ 1,260,064

<u>Prepaid insurance</u>			
STD	\$ 97,716	\$ 97,716	\$ 105,544
Vision	4,856	4,856	4,988
H.S.A	0	750,235	
Total prepaid insurance	\$ 102,572	\$ 852,807	\$ 110,532

<u>Accounts payable</u>			
Medical	\$ -	\$ -	\$ 378,664
Behavioral Health	\$ -	32,500	24,000
Vision	\$ (0)	300	6,362
Dental			
STD		13,007	23,743
WELLNESS	26,643	16,705	1,512
616-CONTRACT ADMINISTRATION	0	37,543	21,107
618-BENEFIT ADMINISTRATION	0	24,217	57,167
Total accounts payable	\$ 26,643	\$ 124,271	\$ 512,556

<u>Accrued Liabilities</u>			
Medical	\$ 2,331,546	\$ 1,470,817	\$ 2,272,774
Pharmacy	720,708	650,525	657,132
Behavioral Health	0	0	
Vision			141,657
Dental	411,702	261,625	121,960
STD	12,000		
616-CONTRACT ADMINISTRATION	23,474		
618-BENEFIT ADMINISTRATION	0		
HEALTH SELECT SI TRUST			49,990
Total Accrued Liabilities	\$ 3,499,430	\$ 2,382,967	\$ 3,243,514

<u>Employee compensation payable</u>			
Consumer Choice Pharmacy Employee Allowance	\$ 3,122,217	\$ 3,166,021	\$ 2,124,477
Employee compensation payable	137,347	124,553	138,949
H.S.A	43,804	0	
Total Employee Comp Accrual	\$ 3,303,368	\$ 3,290,574	\$ 2,263,426

<u>Reserve for losses and loss expenses -IBNR Details</u>			
Medical	\$ 9,312,823	\$ 10,991,704	\$ 7,444,933
Pharmacy			
Behavioral Health	178,642	178,642	252,691
Vision	91,554	91,554	52,502
Dental	409,517	409,517	374,756
STD	443,654	443,654	380,147
Total Reserve for losses and loss expenses	\$ 10,436,189	\$ 12,115,071	\$ 8,505,029

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Notes to Financial Statements
January 2012

NOTE 1 – Interest Receivable Held with the Treasurer

Interest Receivable represents the Trust's share of the amortization of zero coupon bond discounts and the unpaid but earned portion of bond coupons which are normally paid every six months on varying dates. The trust has all cash invested with the Maricopa County Treasurer in the investment pool. This pool consists of U S Government Securities that have up to a three year maturity.

NOTE 2 – Accounts Receivable

Accounts Receivable included \$766,987 for WHI Rebates, \$1,078 for Vision, \$2,500 for Dental, and \$95,887 for the American Recovery and Reinvestment Act (ARRA) program receivables for employees on COBRA as of Jan2011.

NOTE 3 – Pre-Paid Insurance

Pre-Paid insurance included \$97,716 for Sedgwick, and \$4,856 for Vision plan.

NOTE 4 – Capital Equipment

This is for the Ergonomics AstroVan purchased in 2000. All equipment has been fully depreciated as of June 30, 2011.

NOTE 5 – Accounts Payable

Accounts Payable \$26,643 for Wellness that included \$26,242.93 for Advantage Fitness Products and \$400 for Mobile On –site mammography.

NOTE 6 – Accrued Liabilities

Accrued Liabilities fluctuates monthly mainly due to the amount of outstanding checks that have not been cashed by providers. That included \$2,331,546 for Medical, \$720,708 for Pharmacy, \$411,702 for Dental, \$12,000 for STD, and \$23,474 (Mercer11,667 & Optimum \$11,807) for Contract Administration.

NOTE 7 – Employee Compensation Payable

Employee Compensation Payable includes in FY2011 unused employee pharmacy allowance for the WHI Consumer Choice Pharmacy plan of \$3.1 million. The remaining balance is accrued salaries as of month end, plus employee vacations earnings payable.

NOTE 8 – Reserve for losses and loss expenses

The funds establish claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. As of January, the Reserve for losses and loss expenses is \$10,436,189.